**TRIAD BUSINESS BANK**

# Triad Business Bank (OTCID – "TBBC"), August 6, 2026, Announces Unaudited Second Quarter 2026 Results

## Overview

**GREENSBORO, NC:** For the three-month period ending June 30, 2026, Triad Business Bank (the "Bank") reported net income of $78,000 compared to $216,000 for the same period a year ago. Net income totaled $0.01 per share in the second quarter of 2026 compared to $0.03 per share in the second quarter of 2025. For the six-month period ending June 30, 2026, the Bank reported a $67,000 improvement in net income with a $482,000 profit in 2026 compared to $415,000 in the prior year period.

Ramsey Hamadi, Chief Executive Officer, commented, "The Bank's second quarter core earnings improved $169,000 over the prior year period due primarily to an increase in the Bank's net interest margin. The Bank's net interest margin increased 43 basis points over the prior year period due primarily to an improved interest rate spread between the Bank's interest-earning assets and interest-bearing liabilities. Net interest income increased $653,000 to $3.6 million in the second quarter of 2026 compared to the same period a year ago. Looking forward, the Bank intends to maintain disciplined expense control practices while the Bank's net interest margin is expected to further improve throughout 2026 and 2027 as older lower yielding assets continue to reprice."

## Income Statement Comparison

### For the Quarter

The Bank's net income totaled $78,000 for the quarter ended June 30, 2026 compared to $216,000 for the quarter ended June 30, 2025. Core operating results, a non-GAAP measurement which excludes the provision for credit losses and taxes, reflected earnings of $406,000 for the second quarter of 2026 compared to $237,000 for the same quarter in the prior year.

Net interest income increased $653,000 to $3.6 million for the second quarter of 2026 from $3.0 million for the second quarter of 2025. The Bank's net interest margin for the second quarter increased 43 basis points to 2.76% compared to 2.33% for the prior year quarter.

Interest income increased $225,000 to $7.0 million in the second quarter of 2026 compared to $6.8 million in the same quarter of 2025. The increase in interest income year over year was due primarily to loan growth. Average loans increased $32.1 million to $410.6 million at June 30, 2026. In 2026, the effect of the 0.75% decline in the prime rate in the latter part of 2025 was offset by the repricing up of low fixed rate loans. The weighted average yield on average loans was stable at 6.00% for the second quarter of both 2026 and 2025. The weighted average rate on interest-bearing liabilities decreased 64 basis points to 3.44% in the second quarter of 2026 compared to 4.08% in the same quarter of 2025.

Noninterest income increased 5% to $207,000 in the second quarter of 2026 compared to $198,000 in the second quarter of 2025. The Bank began charging NSF/OD fees in December 2025, and the increase in noninterest income is partly due to this as well as an increase in business account analysis fees, offset by a decrease in small business investment company ("SBIC") distributions due to the partial sale of an SBIC investment in the second quarter of 2026.

Noninterest expense increased $493,000 in the second quarter of 2026 compared to the prior year quarter. Salaries and benefits expense increased $252,000, or 13%, in the second quarter of 2026 compared to the second quarter of 2025 due primarily to compensation adjustments effective July 1, 2025 and an increase in performance-related compensation in 2026. The Bank had 56 employees at the end of June 2026 and 2025. Other noninterest expenses increased $230,000 for the second quarter of 2026 over the same period in 2025. In the second quarter of 2026, legal and other professional expense increased $139,000, principally due to placement fees for new employee recruitment and legal fees related to nonaccrual loans, and regulatory assessments increased $60,000 compared to the prior year. The second quarter of 2025 included the effect of a first quarter reduction in the regulatory assessment rate.

**For the Six Months**

The Bank's net income totaled $482,000 for the six months ended June 30, 2026 compared to $415,000 for the six months ended June 30, 2025. Core operating results reflected earnings of $877,000 for the first six months of 2026 compared to $271,000 for the same period in the prior year.

Net interest income increased $1.2 million to $7.1 million for the first six months of 2026 from $5.9 million for the same period of 2025. The Bank's net interest margin for the first six months of 2026 increased 39 basis points to 2.69% compared to 2.30% for the prior year period.

Interest income increased $208,000 to $13.8 million in the first six months of 2026 compared to the same period of 2025. The increase in interest income year over year was due primarily to loan growth. Average loans increased $28.9 million to $407.3 million at June 30, 2026. The weighted average yield on average loans decreased 7 basis points to 5.93% in the first half of 2026 compared to 6.00% in the prior year period. The weighted average rate on interest-bearing liabilities decreased 68 basis points to 3.44% in the first six months of 2026 compared to 4.12% in the first half of 2025.

Noninterest income increased 8% to $474,000 in the first six months of 2026 compared to $440,000 in the same period of 2025. The Bank began charging NSF/OD fees in December 2025, and the increase in noninterest income is partly due to this as well as an increase in business account analysis fees, offset by a decrease in SBIC distributions due to the partial sale of an SBIC investment in the second quarter of 2026.

Noninterest expense increased $620,000 in the first six months of 2026 compared to the prior year period. Salaries and benefits expense increased $367,000, or 10%, in the first half of 2026 compared to the same period of 2025 due primarily to compensation adjustments effective July 1, 2025 and an increase in performance-related compensation in 2026. Other noninterest expenses increased $212,000 for the first six months of 2026 over the same period in 2025. Legal and other professional expense increased $215,000 in the first half of 2026 compared to the prior year principally due to placement fees for new employee recruitment and legal fees related to nonaccrual loans.

**Balance Sheet Comparison**

Total assets increased $4.7 million to $536.0 million at June 30, 2026 from $531.3 million at June 30, 2025. Loans increased $23.1 million while securities decreased $17.4 million and deposits increased $4.2 million over the same period. Other borrowings decreased $5.0 million to $4.0 million at June 30, 2026 from $9.0 million at June 30, 2025.

Shareholders' equity increased $4.7 million year over year to $50.8 million at June 30, 2026. Accumulated other comprehensive income/loss ("AOCI") improved by $3.1 million year over year to an unrealized loss of $8.4 million from an unrealized loss of $11.5 million at June 30, 2025. The AOCI loss is expected to reverse, assuming no future credit impairments, as the bond portfolio shortens in life and is assumed to mature at par value.

**Regulatory Capital**

Total risk-based capital consists of tier 1 capital and tier 2 capital. The Bank's tier 1 capital is largely a measure of shareholders' equity as calculated under GAAP but excludes the AOCI loss. Tier 2 capital is primarily the allowance for credit losses on funded and unfunded loan commitments. Tier 1 and tier 2 capital ratios are measured against total assets and risk-weighted assets.

The following is a summary presentation of the Bank's total regulatory capital to risk-weighted assets, tier 1 capital to risk-weighted assets and tier 1 capital to average assets in comparison with the regulatory guidelines at June 30, 2026:

**Capital and Capital Ratios**

| | Quarter Ended 6/30/2026 | |
|---|---|---|
| | **Amount** | **Ratio** |
| **Actual** | | |
| (dollars in thousands) | | |
| Total Capital (to risk-weighted assets) | $ 63,130 | 12.29% |
| Tier 1 Capital (to risk-weighted assets) | $ 59,268 | 11.54% |
| Tier 1 Capital (to average assets) | $ 59,268 | 10.86% |
| **Minimum To Be Well-Capitalized Under Prompt Corrective Action Provisions** | | |
| (dollars in thousands) | | |
| Total Capital (to risk-weighted assets) | $ 51,000 | 10.00% |
| Tier 1 Capital (to risk-weighted assets) | $ 41,000 | 8.00% |
| Tier 1 Capital (to average assets) | $ 27,000 | 5.00% |

The Bank continues to be "well-capitalized" for regulatory purposes.

**Loans**

The Bank's outstanding loans increased $23.1 million, or 6%, to $411.0 million at June 30, 2026 compared to $387.9 million at June 30, 2025. While not included in loans outstanding, the Bank also had unfunded loan commitments of $145.2 million, bringing total loans outstanding and unfunded commitments to $556.2 million at June 30, 2026. For internal monitoring purposes, the Bank considers owner-occupied real estate loans to be part of commercial and industrial ("C&I") loans. As of June 30, 2026, approximately 53% of the Bank's outstanding loan portfolio was composed of C&I loans:

**Loan Diversification**

| Loan Category | 6/30/2026 | Percentage of Loan Portfolio |
|---|---|---|
| Other Construction & Land Development | $ 51,237,185 | |
| Nonowner-occupied Commercial Real Estate | 138,497,711 | |
| **Total Commercial Real Estate** | 189,734,896 | 46% |
| | | |
| Owner-occupied Real Estate | 110,818,899 | |
| C&I | 108,213,873 | |
| **Total C&I** | 219,032,772 | 53% |
| | | |
| **Other Revolving Loans** | 2,238,382 | 1% |
| | | |
| **Total** | $ 411,006,050 | |

**Credit Risk and Allowance for Credit Losses**

During the second quarter of 2026, there was a provision for credit losses of $319,000 compared to a provision of $21,000 during the quarter ended June 30, 2025. For second quarter 2026, the components of this item were a provision for credit losses on loans of $286,000 and a provision for credit losses on unfunded loan commitments of $33,000 compared to second quarter 2025 components of a reversal of provision for credit losses on loans of $273,000, a reversal of provision for credit losses on unfunded loan commitments of $56,000, and a provision for credit losses on available-for-sale corporate bonds of $350,000.

For the six months ended June 30, 2026, there was a provision for credit losses of $365,000 compared to a reversal of provision for credit losses of $144,000 for the prior year period. For 2026, the components of this item were a provision for credit losses on loans of $361,000 and a provision for credit losses on unfunded loan commitments of $4,000 compared to 2025 components of a reversal of provision for credit losses on loans of $408,000, a reversal of provision for credit losses on unfunded loan commitments of $86,000, and a provision for credit losses on available-for-sale corporate bonds of $350,000.

The allowance for credit losses on loans was $3.5 million at June 30, 2026 compared to $3.6 million at June 30, 2025, or 0.85% and 0.92% of outstanding loans, respectively. Loan charge-offs were $276,000 in the second quarter and $321,000 for the first six months of 2026 compared to none in the second quarter and $114,000 in the first six months of 2025. The allowance for credit losses on unfunded loan commitments, recorded as a liability on the balance sheet, was $380,000, or 0.26% of unfunded commitments, at June 30, 2026 compared to $373,000, or 0.27%, at June 30, 2025. The decline in the allowance for credit losses on loans and unfunded loan commitments was driven by adjustments to qualitative assessment factors related to changes in the government regulatory environment and the interest rate environment. There was no allowance for credit losses on available-for-sale securities at June 30, 2026 compared to $3.3 million at June 30, 2025 due to security sales during the last half of 2025.

The Bank had $5.7 million in nonaccrual loans at June 30, 2026 compared to $2.5 million in nonaccrual loans at June 30, 2025. These loans were individually evaluated for credit loss.

**Adjusted Tangible Book Value (Non-GAAP Measures)**

The Bank's GAAP tangible book value per share was $6.29 at June 30, 2026. On a non-GAAP basis, excluding the AOCI loss and the impairment on the Bank's deferred tax asset (two reductions in capital under GAAP the Bank anticipates it will recover over time), adjusted tangible book value per share was $7.67 at June 30, 2026.

The organization and startup costs incurred during the Bank's organizational period and net operating losses from the beginning of operations created a deferred tax asset of $2.7 million. This asset is currently fully impaired and will be carried at $0 until sufficient, verifiable evidence exists (generally, sustained profitability) to demonstrate that the deferred tax asset will more likely than not be realized. At that time, the valuation allowance will be reversed.

The change in fair value, excluding any credit impairment, of the Bank's investment securities that are available for sale is recorded in AOCI as a gain or loss, based on current circumstances, and constitutes an unrealized component of equity. At June 30, 2026, the Bank had an aggregate AOCI loss of $8.4 million. Assuming the underlying investment securities are held to maturity and there are no future credit impairments, the value of the securities will return to their face values at maturity.

**Outlook**

Although there could be some compression in the net interest margin in the near term as interest rates change, we expect the Bank's net interest margin to increase throughout 2026 and 2027 as older lower yielding assets continue to reprice.

**About Triad Business Bank**

With three co-equal offices located in Winston-Salem, High Point and Greensboro, Triad Business Bank focuses on meeting the needs of small to midsize businesses and their owners by providing loans, treasury management and private banking, all with a high level of personal attention and best-in-class technology. For more information, visit www.triadbusinessbank.com.

**Non-GAAP Financial Measures**

*This release contains financial information determined by methods other than in accordance with generally accepted accounting principles in the United States ("GAAP"). The management of Triad Business Bank uses these non-GAAP financial measures in its analysis of the Bank's performance. These measures typically adjust GAAP performance measures to exclude the effects of the provision for credit losses, income tax, deferred tax asset, and AOCI. Management believes presentations of these non-GAAP financial measures provide useful supplemental information that is essential to a proper understanding of the operating results of the Bank. These non-GAAP disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.*

**Forward Looking Language**

*This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of Triad Business Bank. These forward-looking statements involve risks and* *uncertainties and are based on the beliefs and assumptions of management of Triad Business Bank and on the information available to management at the time that these disclosures were prepared. These statements can be identified by the use of words like "expect," "anticipate," "estimate" and "believe," variations of these words and other similar expressions. Readers should not place undue reliance on forward-looking statements as a number of important factors could cause actual results to differ materially from those in the forward-looking statements. Triad Business Bank undertakes no obligation to update any forward-looking statements.*

**Contact:** Ramsey Hamadi
rhamadi@triadbusinessbank.com

**Triad Business Bank**

| Balance Sheet (Unaudited) | June 30, 2026 | June 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash & Due from Banks | $ 20,918,018 | $ 20,518,736 | $ 399,282 | 2% |
| Securities | 100,932,658 | 118,340,187 | (17,407,529) | -15% |
| Federal Funds Sold | - | - | - | 0% |
| Loans | 411,006,050 | 387,929,131 | 23,076,919 | 6% |
| Allowance for Credit Losses ("ACL") | (3,482,256) | (3,563,077) | 80,821 | 2% |
| **Loans, Net** | **407,523,794** | **384,366,054** | **23,157,740** | **6%** |
| Other Assets | 6,671,456 | 8,101,708 | (1,430,252) | -18% |
| **Total Assets** | **$ 536,045,926** | **$ 531,326,685** | **$ 4,719,241** | **1%** |
| **Liabilities** | | | | |
| Demand Deposits | $ 95,069,280 | $ 103,045,441 | $ (7,976,161) | -8% |
| ICS Reciprocal - Checking | 1,198,031 | 1,187,591 | 10,440 | 1% |
| Commercial Operating Accounts | 96,267,311 | 104,233,032 | (7,965,721) | -8% |
| Interest Checking | 31,068,878 | 27,105,045 | 3,963,833 | 15% |
| Core MMA & Savings | 121,664,738 | 105,083,693 | 16,581,045 | 16% |
| ICS Reciprocal - MMA | 39,059,280 | 40,946,981 | (1,887,701) | -5% |
| Total MMA & Savings | 160,724,018 | 146,030,674 | 14,693,344 | 10% |
| Core Time Deposits | 25,351,950 | 29,853,816 | (4,501,866) | -15% |
| CDARS - Reciprocal | 9,091,650 | 22,900,997 | (13,809,347) | -60% |
| Brokered CDs | 154,632,429 | 142,795,132 | 11,837,297 | 8% |
| Total Time Deposits | 189,076,029 | 195,549,945 | (6,473,916) | -3% |
| **Total Deposits** | **477,136,236** | **472,918,696** | **4,217,540** | **1%** |
| Other Borrowings | 4,000,000 | 9,000,000 | (5,000,000) | -56% |
| Federal Funds Purchased | - | - | - | 0% |
| ACL on Unfunded Commitments | 380,030 | 372,645 | 7,385 | 2% |
| Other Liabilities | 3,689,438 | 2,884,549 | 804,889 | 28% |
| **Total Liabilities** | **485,205,704** | **485,175,890** | **29,814** | **0%** |
| **Shareholders' Equity** | | | | |
| Common Stock | 73,469,128 | 73,288,274 | 180,854 | 0% |
| Accumulated Deficit | (14,200,602) | (15,661,838) | 1,461,236 | 9% |
| Accumulated Other Comprehensive Loss | (8,428,304) | (11,475,641) | 3,047,337 | 27% |
| **Total Shareholders' Equity** | **50,840,222** | **46,150,795** | **4,689,427** | **10%** |
| **Total Liabilities & Shareholders' Equity** | **$ 536,045,926** | **$ 531,326,685** | **$ 4,719,241** | **1%** |
| Shares Outstanding | 8,088,699 | 8,054,528 | 34,171 | 0% |
| Tangible Book Value per Share | $ 6.29 | $ 5.73 | $ 0.56 | 10% |

**Triad Business Bank**

**Income Statement (Unaudited)**

| | For Three Months Ended June 30, 2026 | For Three Months Ended June 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| **Interest Income** | | | | |
| Interest & Fees on Loans | $ 6,140,660 | $ 5,659,178 | $ 481,482 | 9% |
| Interest & Dividend Income on Securities | 744,951 | 943,570 | (198,619) | -21% |
| Interest Income on Balances Due from Banks | 106,420 | 166,584 | (60,164) | -36% |
| Other Interest Income | 31,181 | 29,364 | 1,817 | 6% |
| **Total Interest Income** | **7,023,212** | **6,798,696** | **224,516** | **3%** |
| **Interest Expense** | | | | |
| Interest on Checking Deposits | 181,399 | 216,596 | (35,197) | -16% |
| Interest on Savings & MMA Deposits | 1,017,277 | 1,189,823 | (172,546) | -15% |
| Interest on Time Deposits | 1,859,785 | 2,210,085 | (350,300) | -16% |
| Interest on Federal Funds Purchased | - | - | - | 0% |
| Interest on Borrowings | 310,813 | 182,319 | 128,494 | 70% |
| Other Interest Expense | 8,262 | 6,901 | 1,361 | 20% |
| **Total Interest Expense** | **3,377,536** | **3,805,724** | **(428,188)** | **-11%** |
| **Net Interest Income** | **3,645,676** | **2,992,972** | **652,704** | **22%** |
| **Provision for Credit Losses** | **319,096** | **20,714** | **298,382** | 1440% |
| **Net Interest Income After Provision for CL** | **3,326,580** | **2,972,258** | **354,322** | **12%** |
| **Total Noninterest Income** | **207,284** | **198,049** | **9,235** | **5%** |
| **Noninterest Expense** | | | | |
| Salaries & Benefits | 2,146,326 | 1,894,375 | 251,951 | 13% |
| Premises & Equipment | 153,685 | 142,565 | 11,120 | 8% |
| Total Other Noninterest Expense | 1,146,844 | 917,307 | 229,537 | 25% |
| **Total Noninterest Expense** | **3,446,855** | **2,954,247** | **492,608** | **17%** |
| **Income Before Income Tax** | **87,009** | **216,060** | **(129,051)** | **-60%** |
| **Income Tax** | **9,500** | **-** | **9,500** | **100%** |
| **Net Income** | **$ 77,509** | **$ 216,060** | **$ (138,551)** | **-64%** |
| Net Income per Share | | | | |
| Basic | $ 0.01 | $ 0.03 | $ (0.02) | -67% |
| Diluted | $ 0.01 | $ 0.03 | $ (0.02) | -67% |
| Weighted Average Shares Outstanding | | | | |
| Basic | 8,076,193 | 8,031,902 | 44,291 | 1% |
| Diluted | 8,199,700 | 8,128,907 | 70,793 | 1% |
| Pre-provision, Pre-tax Income | $ 406,105 | $ 236,774 | $ 169,331 | 72% |

**Triad Business Bank**

**Key Ratios & Other Information (Unaudited)**

| | Quarter Ended 6/30/2026 | | | Quarter Ended 6/30/2025 | | |
|---|---|---|---|---|---|---|
| | Balance | Interest Income/ Expense | Yield/ Rate | Balance | Interest Income/ Expense | Yield/ Rate |
| **Yield on Average Loans** | $ 410,614,686 | $ 6,140,660 | 6.00% | $ 378,549,908 | $ 5,659,178 | 6.00% |
| **Yield on Average Investment Securities** | $ 104,990,571 | $ 744,951 | 2.85% | $ 119,871,214 | $ 943,570 | 3.16% |
| **Yield on Average Interest-earning Assets** | $ 529,905,615 | $ 7,023,212 | 5.32% | $ 514,560,647 | $ 6,798,696 | 5.30% |
| **Cost of Average Interest-bearing Liabilities** | $ 393,489,476 | $ 3,377,536 | 3.44% | $ 374,470,069 | $ 3,805,724 | 4.08% |
| **Net Interest Margin** | | | | | | |
| Interest Income | | $ 7,023,212 | | | $ 6,798,696 | |
| Interest Expense | | 3,377,536 | | | 3,805,724 | |
| Average Earnings Assets | $ 529,905,615 | | | $ 514,560,647 | | |
| **Net Interest Income & Net Interest Margin** | | $ 3,645,676 | 2.76% | | $ 2,992,972 | 2.33% |
| **Loan to Asset Ratio** | | | | | | |
| Loan Balance | $ 411,006,050 | | | $ 387,929,131 | | |
| Total Assets | 536,045,926 | | 76.67% | 531,326,685 | | 73.01% |
| **Leverage Ratio** | | | | | | |
| Tier 1 Capital | $ 59,268,526 | | | $ 57,626,436 | | |
| Average Total Assets | 545,947,192 | | 10.86% | 535,330,388 | | 10.76% |
| **Unfunded Commitments to Extend Credit** | $ 145,222,180 | | | $ 138,015,672 | | |
| **Standby Letters of Credit** | 1,686,225 | | | 436,358 | | |

**Triad Business Bank**

| Balance Sheet (Unaudited) | June 30, 2026 | March 31, 2026 | December 31, 2025 | September 30, 2025 | June 30, 2025 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash & Due from Banks | $ 20,918,018 | $ 15,595,674 | $ 17,697,634 | $ 12,939,248 | $ 20,518,736 |
| Securities | 100,932,658 | 106,424,196 | 108,689,819 | 112,752,361 | 118,340,187 |
| Federal Funds Sold | - | - | - | - | - |
| Loans | 411,006,050 | 407,923,509 | 400,530,772 | 394,605,618 | 387,929,131 |
| Allowance for Credit Losses ("ACL") | (3,482,256) | (3,471,571) | (3,441,699) | (3,672,677) | (3,563,077) |
| **Loans, Net** | **407,523,794** | **404,451,938** | **397,089,073** | **390,932,941** | **384,366,054** |
| Other Assets | 6,671,456 | 10,418,621 | 7,446,792 | 8,473,437 | 8,101,708 |
| **Total Assets** | **$ 536,045,926** | **$ 536,890,429** | **$ 530,923,318** | **$ 525,097,987** | **$ 531,326,685** |
| **Liabilities** | | | | | |
| Demand Deposits | $ 95,069,280 | $ 87,056,395 | $ 99,366,230 | $ 98,688,414 | $ 103,045,441 |
| ICS Reciprocal - Checking | 1,198,031 | 367,180 | 887,684 | 2,566,965 | 1,187,591 |
| Commercial Operating Accounts | 96,267,311 | 87,423,575 | 100,253,914 | 101,255,379 | 104,233,032 |
| Interest Checking | 31,068,878 | 23,362,189 | 25,317,392 | 24,447,604 | 27,105,045 |
| Core MMA & Savings | 121,664,738 | 103,096,005 | 113,295,751 | 95,465,194 | 105,083,693 |
| ICS Reciprocal - MMA | 39,059,280 | 40,311,365 | 43,606,487 | 41,153,986 | 40,946,981 |
| Total MMA & Savings | 160,724,018 | 143,407,370 | 156,902,238 | 136,619,180 | 146,030,674 |
| Core Time Deposits | 25,351,950 | 24,662,571 | 24,867,472 | 24,594,478 | 29,853,816 |
| CDARS - Reciprocal | 9,091,650 | 12,770,838 | 14,965,606 | 20,853,864 | 22,900,997 |
| Brokered CDs | 154,632,429 | 145,644,197 | 145,308,713 | 145,485,010 | 142,795,132 |
| Total Time Deposits | 189,076,029 | 183,077,606 | 185,141,791 | 190,933,352 | 195,549,945 |
| **Total Deposits** | **477,136,236** | **437,270,740** | **467,615,335** | **453,255,515** | **472,918,696** |
| Other Borrowings | 4,000,000 | 45,000,000 | 9,000,000 | 19,000,000 | 9,000,000 |
| Federal Funds Purchased | - | - | - | - | - |
| ACL on Unfunded Commitments | 380,030 | 347,468 | 376,509 | 363,405 | 372,645 |
| Other Liabilities | 3,689,438 | 3,624,675 | 3,363,566 | 3,166,723 | 2,884,549 |
| **Total Liabilities** | **485,205,704** | **486,242,883** | **480,355,410** | **475,785,643** | **485,175,890** |
| **Shareholders' Equity** | | | | | |
| Common Stock | 73,469,128 | 73,443,013 | 73,389,919 | 73,343,619 | 73,288,274 |
| Accumulated Deficit | (14,200,602) | (14,278,111) | (14,682,398) | (15,179,127) | (15,661,838) |
| Accumulated Other Comprehensive Loss | (8,428,304) | (8,517,356) | (8,139,613) | (8,852,148) | (11,475,641) |
| **Total Shareholders' Equity** | **50,840,222** | **50,647,546** | **50,567,908** | **49,312,344** | **46,150,795** |
| **Total Liabilities & Shareholders' Equity** | **$ 536,045,926** | **$ 536,890,429** | **$ 530,923,318** | **$ 525,097,987** | **$ 531,326,685** |
| Shares Outstanding | 8,088,699 | 8,055,028 | 8,055,028 | 8,054,528 | 8,054,528 |
| Tangible Book Value per Share | $ 6.29 | $ 6.29 | $ 6.28 | $ 6.12 | $ 5.73 |

| Triad Business Bank | | | | | |
|---|---|---|---|---|---|
| **Income Statement (Unaudited)** | **For Three Months Ended June 30, 2026** | **For Three Months Ended March 31, 2026** | **For Three Months Ended December 31, 2025** | **For Three Months Ended September 30, 2025** | **For Three Months Ended June 30, 2025** |
| **Interest Income** | | | | | |
| Interest & Fees on Loans | $ 6,140,660 | $ 5,832,096 | $ 6,030,530 | $ 6,025,540 | $ 5,659,178 |
| Interest & Dividend Income on Securities | 744,951 | 747,515 | 785,082 | 882,108 | 943,570 |
| Interest Income on Balances Due from Banks | 106,420 | 136,572 | 132,833 | 152,838 | 166,584 |
| Other Interest Income | 31,181 | 30,145 | 24,937 | 27,802 | 29,364 |
| **Total Interest Income** | **7,023,212** | **6,746,328** | **6,973,382** | **7,088,288** | **6,798,696** |
| **Interest Expense** | | | | | |
| Interest on Checking Deposits | 181,399 | 172,247 | 194,461 | 222,838 | 216,596 |
| Interest on Savings & MMA Deposits | 1,017,277 | 1,081,799 | 1,024,058 | 1,164,179 | 1,189,823 |
| Interest on Time Deposits | 1,859,785 | 1,827,467 | 1,982,218 | 2,177,333 | 2,210,085 |
| Interest on Federal Funds Purchased | - | - | - | 439 | - |
| Interest on Borrowings | 310,813 | 233,112 | 237,895 | 184,712 | 182,319 |
| Other Interest Expense | 8,262 | 7,806 | 6,263 | 9,126 | 6,901 |
| **Total Interest Expense** | **3,377,536** | **3,322,431** | **3,444,895** | **3,758,627** | **3,805,724** |
| **Net Interest Income** | **3,645,676** | **3,423,897** | **3,528,487** | **3,329,661** | **2,992,972** |
| **Provision for (Reversal of) Credit Losses** | **319,096** | **45,750** | **41,138** | **(90,500)** | **20,714** |
| **Net Interest Income After Provision for CL** | **3,326,580** | **3,378,147** | **3,487,349** | **3,420,161** | **2,972,258** |
| **Total Noninterest Income** | **207,284** | **266,664** | **234,576** | **241,239** | **198,049** |
| **Noninterest Expense** | | | | | |
| Salaries & Benefits | 2,146,326 | 2,035,874 | 2,089,058 | 2,087,708 | 1,894,375 |
| Premises & Equipment | 153,685 | 166,034 | 153,918 | 159,287 | 142,565 |
| Total Other Noninterest Expense | 1,146,844 | 1,017,316 | 992,221 | 921,694 | 917,307 |
| **Total Noninterest Expense** | **3,446,855** | **3,219,224** | **3,235,197** | **3,168,689** | **2,954,247** |
| **Income Before Income Tax** | **87,009** | **425,587** | **486,728** | **492,711** | **216,060** |
| **Income Tax** | **9,500** | **21,300** | **(10,000)** | **10,000** | **-** |
| **Net Income** | **$ 77,509** | **$ 404,287** | **$ 496,728** | **$ 482,711** | **$ 216,060** |
| Net Income per Share | | | | | |
| Basic | $ 0.01 | $ 0.05 | $ 0.06 | $ 0.06 | $ 0.03 |
| Diluted | $ 0.01 | $ 0.05 | $ 0.06 | $ 0.06 | $ 0.03 |
| Weighted Average Shares Outstanding | | | | | |
| Basic | 8,076,193 | 8,055,028 | 8,054,648 | 8,054,528 | 8,031,902 |
| Diluted | 8,199,700 | 8,149,033 | 8,149,153 | 8,151,533 | 8,128,907 |
| Pre-provision, Pre-tax Income | $ 406,105 | $ 471,337 | $ 527,866 | $ 402,211 | $ 236,774 |

**Triad Business Bank**

**Capital and Capital Ratios (Unaudited)**

| | Quarter Ended 6/30/2026 | | Quarter Ended 3/31/2026 | | Quarter Ended 12/31/2025 | | Quarter Ended 9/30/2025 | | Quarter Ended 6/30/2025 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Amount** | **Ratio** | **Amount** | **Ratio** | **Amount** | **Ratio** | **Amount** | **Ratio** | **Amount** | **Ratio** |
| **Actual**<br>(dollars in thousands) | | | | | | | | | | |
| Total Capital (to risk-weighted assets) | $ 63,130 | 12.29% | $ 62,984 | 12.18% | $ 62,526 | 12.30% | $ 62,200 | 12.24% | $ 61,562 | 12.15% |
| Tier 1 Capital (to risk-weighted assets) | $ 59,268 | 11.54% | $ 59,165 | 11.44% | $ 58,708 | 11.55% | $ 58,164 | 11.44% | $ 57,626 | 11.37% |
| Tier 1 Capital (to average assets) | $ 59,268 | 10.86% | $ 59,165 | 10.86% | $ 58,708 | 10.95% | $ 58,164 | 10.84% | $ 57,626 | 10.76% |
| **Minimum To Be Well-Capitalized Under Prompt Corrective Action Provisions**<br>(dollars in thousands) | | | | | | | | | | |
| Total Capital (to risk-weighted assets) | $ 51,000 | 10.00% | $ 52,000 | 10.00% | $ 51,000 | 10.00% | $ 51,000 | 10.00% | $ 51,000 | 10.00% |
| Tier 1 Capital (to risk-weighted assets) | $ 41,000 | 8.00% | $ 41,000 | 8.00% | $ 41,000 | 8.00% | $ 41,000 | 8.00% | $ 41,000 | 8.00% |
| Tier 1 Capital (to average assets) | $ 27,000 | 5.00% | $ 27,000 | 5.00% | $ 27,000 | 5.00% | $ 27,000 | 5.00% | $ 27,000 | 5.00% |

**Triad Business Bank**

**Non-GAAP Measures (Unaudited)**

**Tangible Book Value**

| | Actual 6/30/2026 | Non-GAAP 6/30/2026 |
|---|---|---|
| Total Shareholders' Equity | $ 50,840,222 | $ 50,840,222 |
| Eliminate Deferred Tax Asset Valuation Allowance | - | 2,741,999 |
| Eliminate Accumulated Other Comprehensive Loss | - | 8,428,304 |
| Adjusted Shareholders' Equity | $ 50,840,222 | $ 62,010,525 |
| | | |
| Shares Outstanding | 8,088,699 | 8,088,699 |
| Tangible Book Value per Share | $ 6.29 | $ 7.67 |
| | | |
| Effect of Non-GAAP Measures on Tangible Book Value | | $ 1.38 |

During the start-up phase of the Bank, a valuation allowance was created which fully impairs the deferred tax asset. When sufficient, verifiable evidence exists (generally, sustained profitability) demonstrating that the deferred tax asset will more likely than not be realized, the valuation allowance will be eliminated. This Non-GAAP measure is shown to disclose the effect on tangible book value per share at June 30, 2026 had there been no valuation allowance at that date.

Changes in the market value of available-for-sale securities are reflected in accumulated other comprehensive loss. Since the securities value will return to face value at maturity, assuming the underlying securities are held to maturity and there is no credit loss, accumulated other comprehensive loss has been eliminated in this Non-GAAP measure.

**Pre-provision Income**

| | Qtr Ended 6/30/2026 | Qtr Ended 6/30/2025 |
|---|---|---|
| Income Before Income Tax | $ 87,009 | $ 216,060 |
| Provision for Credit Losses | 319,096 | 20,714 |
| Pre-provision Income Before Income Tax (Non-GAAP) | $ 406,105 | $ 236,774 |

| | Six Months Ended 6/30/2026 | Six Months Ended 6/30/2025 |
|---|---|---|
| Income Before Income Tax | $ 512,596 | $ 414,781 |
| Provision for (Reversal of) Credit Losses | 364,846 | (144,155) |
| Pre-provision Income Before Income Tax (Non-GAAP) | $ 877,442 | $ 270,626 |

The pre-provision income is a measure of operating performance exclusive of potential losses from lending.

**Triad Business Bank**

| Income Statement (Unaudited) | For Six Months Ended June 30, 2026 | For Six Months Ended June 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| **Interest Income** | | | | |
| Interest & Fees on Loans | $ 11,972,757 | $ 11,262,998 | $ 709,759 | 6% |
| Interest & Dividend Income on Securities | 1,492,466 | 1,925,134 | (432,668) | -22% |
| Interest Income on Balances Due from Banks | 242,992 | 319,552 | (76,560) | -24% |
| Other Interest Income | 61,325 | 54,284 | 7,041 | 13% |
| **Total Interest Income** | **13,769,540** | **13,561,968** | **207,572** | **2%** |
| **Interest Expense** | | | | |
| Interest on Checking Deposits | 353,646 | 421,439 | (67,793) | -16% |
| Interest on Savings & MMA Deposits | 2,099,076 | 2,368,812 | (269,736) | -11% |
| Interest on Time Deposits | 3,687,252 | 4,466,188 | (778,936) | -17% |
| Interest on Federal Funds Purchased | - | - | - | 0% |
| Interest on Borrowings | 543,925 | 414,866 | 129,059 | 31% |
| Other Interest Expense | 16,068 | 13,722 | 2,346 | 17% |
| **Total Interest Expense** | **6,699,967** | **7,685,027** | **(985,060)** | **-13%** |
| **Net Interest Income** | **7,069,573** | **5,876,941** | **1,192,632** | **20%** |
| **Provision for (Reversal of) Credit Losses** | **364,846** | **(144,155)** | **509,001** | **353%** |
| **Net Interest Income After Provision for CL** | **6,704,727** | **6,021,096** | **683,631** | **11%** |
| **Total Noninterest Income** | **473,948** | **439,663** | **34,285** | **8%** |
| **Noninterest Expense** | | | | |
| Salaries & Benefits | 4,182,200 | 3,815,374 | 366,826 | 10% |
| Premises & Equipment | 319,719 | 278,113 | 41,606 | 15% |
| Total Other Noninterest Expense | 2,164,160 | 1,952,491 | 211,669 | 11% |
| **Total Noninterest Expense** | **6,666,079** | **6,045,978** | **620,101** | **10%** |
| **Income (Loss) Before Income Tax** | **512,596** | **414,781** | **97,815** | **24%** |
| **Income Tax** | **30,800** | **-** | **30,800** | **100%** |
| **Net Income (Loss)** | **$ 481,796** | **$ 414,781** | **$ 67,015** | **16%** |
| Net Income (Loss) per Share | | | | |
| Basic | $ 0.06 | $ 0.05 | $ 0.01 | 20% |
| Diluted | $ 0.06 | $ 0.05 | $ 0.01 | 20% |
| Weighted Average Shares Outstanding | | | | |
| Basic | 8,065,669 | 8,013,040 | 52,629 | 1% |
| Diluted | 8,189,176 | 8,110,045 | 79,131 | 1% |
| Pre-provision, Pre-tax Income (Loss) | $ 877,442 | $ 270,626 | $ 606,816 | 224% |

**Triad Business Bank**

**Key Ratios & Other Information (Unaudited)**

| | Six Months Ended 6/30/2026 | | | Six Months Ended 6/30/2025 | | |
|---|---|---|---|---|---|---|
| | **Balance** | **Interest Income/ Expense** | **Yield/ Rate** | **Balance** | **Interest Income/ Expense** | **Yield/ Rate** |
| **Yield on Average Loans** | $ 407,250,568 | $ 11,972,757 | 5.93% | $ 378,315,214 | $ 11,262,998 | 6.00% |
| **Yield on Average Investment Securities** | $ 106,573,400 | $ 1,492,466 | 2.82% | $ 121,433,924 | $ 1,925,134 | 3.20% |
| **Yield on Average Interest-earning Assets** | $ 529,140,454 | $ 13,769,540 | 5.25% | $ 515,407,735 | $ 13,561,968 | 5.31% |
| **Cost of Average Interest-bearing Liabilities** | $ 392,617,311 | $ 6,699,967 | 3.44% | $ 375,930,601 | $ 7,685,027 | 4.12% |
| **Net Interest Margin** | | | | | | |
| Interest Income | | $ 13,769,540 | | | $ 13,561,968 | |
| Interest Expense | | 6,699,967 | | | 7,685,027 | |
| Average Earnings Assets | $ 529,140,454 | | | $ 515,407,735 | | |
| **Net Interest Income & Net Interest Margin** | | $ 7,069,573 | 2.69% | | $ 5,876,941 | 2.30% |
| **Loan to Asset Ratio** | | | | | | |
| Loan Balance | $ 411,006,050 | | | $ 387,929,131 | | |
| Total Assets | 536,045,926 | | 76.67% | 531,326,685 | | 73.01% |
| **Leverage Ratio** | | | | | | |
| Tier 1 Capital | $ 59,268,526 | | | $ 57,626,436 | | |
| Average Total Assets | 545,947,192 | | 10.86% | 535,330,388 | | 10.76% |
| **Unfunded Commitments to Extend Credit** | $ 145,222,180 | | | $ 138,015,672 | | |
| **Standby Letters of Credit** | 1,686,225 | | | 436,358 | | |